



Executive Officer's Statement

August 31, 2006

As the Victim Compensation and Government Claims Board closes the books on last fiscal year, we are beginning to see the impact of Board decisions in January and February 2006 to adjust mental health and funeral service benefits. In the 05/06 fiscal year, the Victim Compensation Program received 46,867 new claims and paid out \$66.0 million – an 11.7 percent increase in compensation payments compared to the prior year. The Board's support for enhancing victim benefits is helping California maintain its national leadership in serving the needs of victims of violent crime. Below are some of our accomplishments in fiscal year 05/06:

- **Victim Compensation Program** – The Program has streamlined our processes, which resulted in a 14 percent decrease in the average time to determine applicant eligibility. The pending claim inventory is down 18 percent and the pending bill inventory has decreased by 19 percent. At the same time, claim payments increased 11.7 percent, from \$58.9 million in 04/05 to \$66.0 million in 05/06.
- **Revenue Recovery** – In 05/06, the VCGCB received an average of \$4.6 million a month in restitution as a result of our expanded partnerships with counties, the Franchise Tax Board (FTB), and the California Department of Corrections and Rehabilitation (CDCR). The Board's decision to support continued funding of eight positions at CDCR to focus on restitution collections, as well as continuing support for contracts with FTB and counties, have made this possible.
- **Government Claims** – Claims against state agencies have dropped almost 40 percent, from an average of about 10,000 a year to 6,130 in 05/06. This is the result of the implementation of 2004 legislation making the program self-funded. The new law is meeting the objective of reducing the number of frivolous claims. Prior to the 2004 change, this program was funded through the General Fund.

CaRES Launch On Track and Meeting Expectations

On June 30, 2006, the Victim Compensation Program Compensation and Restitution System (CaRES) went live as scheduled. This web-based technology streamlines our approach to processing claims, giving us the opportunity to provide better customer service, decrease costs and enhance efficiency.

We are rolling out CaRES in phases to prevent any disruption of our ability to meet the needs of victims. During July, our CaRES team scanned almost 400 applications into CaRES and successfully used the new system to determine eligibility. This month, the CaRES team has increased the number of applications entered into the system and added the capability to determine benefits. By October 1st, all new applications coming into the VCGCB office in Sacramento will be processed through CaRES, while older claims complete their lifecycle in the VOX system. This approach will provide a smooth transition, avoiding the potential problems that may arise when large amounts of data are transferred from one system to another.

One important factor in our ability to transition CaRES to full implementation is the outstanding support we are receiving from the State Controller's Office. As the agency that issues checks, the Controller is required to certify each state department's procedures for authorizing payments. In our case, the Controller's staff are fast-tracking its certification process for CaRES to help us meet the October 1 implementation timeline.

The tremendous team effort by VCGCB employees and consultants that made the launch of CaRES so successful continues as we move forward with refinements and enhancements. Those who are working directly with CaRES entering claims and determining eligibility have praised the system as far more flexible, user friendly and efficient than VOX. Their enthusiasm is further testament to the benefits CaRES will provide once it is fully implemented.

Nomination for National Award

We are proud that CaRES is one of three technology projects nominated by the State and Consumer Services Agency for recognition in the national 2006 Digital States Survey. CaRES was selected as one of California's "most significant technological advances" during the past two years. The two other California nominees are the data center consolidation by the Department of Technology Services and an information technology (IT) implementation by the Department of Justice.

Moving Forward to 06/07

The momentum from our 05/06 successes is continuing into this year. Plans are moving forward for a mid-November relocation of the VCGCB headquarters to 400 R Street. In addition to providing staff with a modern, efficient facility, the new lease will yield \$400,000 in annual savings. The VCGCB is also enhancing our partnerships with counties, increasing budgets for both Joint Powers and Criminal Restitution Compact (CRC) contracts by 5 percent and increasing the number of CRCs with counties from 21 to 25. Our outreach efforts are also growing; we expect our bus shelter advertisements to be in place in Sacramento and Los Angeles by the end of the year. This is only a small sampling of the initiatives that are already underway this year.

VCGCB Updates

- The VCGCB presented a demonstration of the CaRES system to the Victim Assistance Coordinating Council on August 1. The CaRES demo was well received, with many participants expressing interest in the eventual rollout of the system to Joint Powers counties. VCGCB and Council staff met in the morning to get an update on VCGCB activities and JP issues. Reaction by participants during both parts of the day reinforced the progress we are making in building a collaborative relationship with these very important partners.
- The U.S. Attorney's Office hosted a Federal Victim Witness Task Force meeting on August 17 in San Francisco. Kathleen Andleman, VCGCB Chief Counsel, and I participated in the meeting and gave a presentation on the Victim Compensation Program.
- On June 27-28, the VCP conducted a training session for supervisors from the 21 JP counties. The training provided an update on Board processes, discussed consistent ways to process claims, and provided a forum for discussion of common issues faced by the counties in verifying claims. The training, which had not been held in several years, was well received. VCGCB staff intend to make this an annual initiative.
- The National Organization of Victim Assistance annual conference was conducted from August 20-25 in Florida. Tom O'Connor, Chief Deputy Executive Officer, and I attended a variety of sessions and workshops on victim issues and trends.
- The VCGCB is one of the sponsors for the upcoming Cyber Safety Summit, hosted by the Department of Consumer Affairs. This event will be held October 18 at the Sacramento Convention Center. The VCGCB will have an exhibit at the event, provide a Cyber Safety

Summit link on the VCGCB website, and send notices on the event to our partners this month.